

VZCZCXRO8764  
OO RUEHAG RUEHBC RUEHDE RUEHDIR RUEHKUK RUEHLZ  
DE RUEHDF #0003 0101337  
ZNR UUUUU ZZH  
O R 101337Z JAN 08  
FM AMCONSUL DUSSELDORF  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 0108  
INFO RUEATRS/DEPT OF TREASURY WASHINGTON DC  
RUCNIRA/IRAN COLLECTIVE  
RUCNFRG/FRG COLLECTIVE  
RHMFIUU/DEPT OF JUSTICE WASHINGTON DC  
RUEHDF/AMCONSUL DUSSELDORF 0124

UNCLAS DUSSELDORF 000003

SIPDIS

SIPDIS

PASS: P, T, E, EEB, NEA/IR, ISN, EUR/AGS

E.O. 12958: N/A

TAGS: [EFIN](#) [ECON](#) [PTER](#) [PGOV](#) [KNNP](#) [ETTC](#) [MNUC](#) [PREL](#) [GM](#) [IR](#)

SUBJECT: GERMAN REGULATORS PAYING SPECIAL ATTENTION TO EUROPE-IRAN  
COMMERCIAL BANK

REF: A. A. 07 BERLIN 2256

[1](#)B. B. 07 BERLIN 2192

Sensitive but Unclassified -- Not for Internet Distribution

[1](#)1. (SBU) German federal banking regulators report they have placed the Hamburg-based Europe-Iran Commercial Bank (Europaeisch-Iranische Handelsbank) under "special supervision."

As part of Mission Germany's ongoing dialogue with the Federal Finance Ministry in Berlin and Bonn-based German federal bank regulators on Iran-related issues, senior German Federal Financial Supervisory Authority (BaFin) officials told Duesseldorf Pol/Econ Officer on January 9 that BaFin officials have regular meetings with the bank and closely observe their business activities, meeting personally with bank representatives four to six times a year (significantly more than other banks, which tend to receive only one to two visits annually). Our interlocutors added that BaFin requires the Europe-Iran Commercial Bank to submit special reports and that regulatory officials evaluate their trade financing as well as the origin of personal deposits.

[1](#)2. (U) On November 12, 2007, BaFin issued a circular notice asking German banks and financial service institutions to take into consideration the October 11 Financial Action Task Force recommendations on exercising additional due diligence and scrutiny on all Iran-related transactions. Embassy Berlin has provided the text of the BaFin circular to Treasury, EEB, EUR, and ISN.

[1](#)3. (U) This message was coordinated with Embassy Berlin and Consulate General Hamburg.

BOYSE